

## Message Text

LIMITED OFFICIAL USE

PAGE 01 JAKART 00870 221156Z

50

ACTION EB-11

INFO OCT-01 EA-11 ISO-00 COME-00 SPC-03 PER-05 SS-20 A-01

ABF-01 IO-14 RSC-01 XMB-07 DRC-01 /076 W

----- 046400

R 220545Z JAN 74

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC 447

INFO AMEMBASSY BANGKOK

AMEMBASSY SINGAPORE

LIMITED OFFICIAL USE JAKARTA 0870

E.O. 11652: N/A

TAGS: ETRD, BLIB, ID, SN

SUBJECT: EFFECTIVENESS OF OVERSEAS COMMERCIAL PROGRAMS

REFS: A. STATE 239800; B. JAKARTA 0612, 1972; C. JAKARTA 9601, 1973; D. SINGAPORE 1262, 1273, 1973; E. JAKARTA 7634, 1973; F. JAKARTA 14852, 1973; G. STATE 127792, 1973

1. BEGIN SUMMARY: US MISSION JAKARTA HIGHLY PLEASED WITH SECRETARY'S MESSAGE REF A. MISSION SUBMITS HERewith ADDITIONAL SUGGESTIONS FOR IMPROVEMENT OF COMMERCIAL EFFORTS. END SUMMARY.

2. US MISSION IN JAKARTA IS HIGHLY PLEASED BY SECRETARY'S DETERMINATION (EXPRESSED REF A) TO GO "MUCH FURTHER" IN STRENGTHENING FOREIGN SERVICE AND STATE COMMERCIAL FUNCTIONS IN THOROUGH AND LASTING WAYS. FOLLOWING ARE OUR ADDITIONAL SUGGESTIONS TO SUPPLEMENT REFS B THROUGH D:

3. FOR INDONESIA, DEPARTMENT HAS RECOGNIZED UNUSUAL COMMERCIAL OPPORTUNITIES BY APPROVING MISSION RECOMMENDATION TO UPGRADE SENIOR COMMERCIAL OFFICER POSITION FROM ATTACHE TO COUNSELOR. WE BELIEVE THIS FORMULATION SHOULD BE CONSIDERED AT OTHER POSTS  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 JAKART 00870 221156Z

WHERE LOCAL CONDITIONS JUSTIFY SUCH ACTION.

4. WE BELIEVE THAT QUALITY OF FOREIGN SERVICE PERSONNEL ENGAGED IN COMMERCIAL WORK SHOULD HAVE HIGHEST PRIORITY ATTENTION IN UPGRADING PROGRAMS. EVERY EFFORT SHOULD BE MADE TO ENTICE FINEST FOREIGN SERVICE TALENT INTO COMMERCIAL AND ECONOMIC SPECIALIZATIONS. MORE EFFECTIVE AND RAPID IMPLEMENTATION OF PROGRAM TO ASSIGN E/CM OFFICERS TO DCM AND OTHER SENIOR PROGRAM DIRECTION POSITIONS WOULD BE ONE IMPORTANT STEP IN THIS DIRECTION. GREATER EFFORTS SHOULD BE MADE TO ACCELERATE PROMOTIONS FOR OFFICERS DOING COMMERCIAL WORK, PARTICULARLY FROM GRADES 4 TO 3 AND 3 TO .

5. SECOND IN OUR RANKING IS IMPROVEMENT OF STAFFING SUPPORT ABROAD FOR COMMERCIAL ACTIVITIES. IN RECOGNITION OF BUDGETARY LIMITATIONS, WE PLACE TOP PRIORITY ON ASSIGNMENT OF SPECIALISTS TO A REGIONAL CENTER WHERE THEY COULD ASSIST SEVERAL POSTS IN A VARIETY OF AREAS WHERE COMMERCIAL SUPPORT NEEDS ARE GREATEST. WE BELIEVE THERE ARE FOUR AREAS WHERE SUCH ADDITIONAL SUPPORT NEEDS APPEARS PARTICULARLY GREAT:

A) IN REF E AMBASSADOR RECOMMENDED TO DEPARTMENT THAT STATE/COMMERCE ASSIST POSTS IN UPGRADING COMMERCIAL LIBRARIES, E.G., BY PROVISION OF INFORMATION ON A MINIMUM BASIC STANDARD INVENTORY OF PUBLICATIONS AND MATERIALS. WHILE ASSURANCES OF SUCH ASSISTANCE HAVE BEEN RECEIVED (REF G), AS YET NOTHING HAS REACHED US. IN INTERIM, IF USIS OR COMMERCE COULD PROVIDE LIBRARIES MANAGEMENT SPECIALISTS, WITH PERMANENT STATUS AT RTC OR DETAILED TO IT FOR A NINE-MONTH PERIOD, MISSION CONSIDERS HE COULD HELP ACHIEVE SIGNIFICANT MANAGEMENT UPGRADING, AND HELP DETERMINE NEEDS OF SEVERAL POSTS FOR FURTHER LIBRARY IMPROVEMENT;

B) SIMILARLY, REGIONALLY LOCATED EXPERT IN MANAGEMENT AND BUSINESS SYSTEMS WOULD BE INVALUABLE IN AIDING INDIVIDUAL POSTS AND IN HELPING DEVELOP INTRA-REGIONAL COMMUNICATIONS TO FACILITATE TRADE AND INVESTMENT LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 JAKARTA 00870 221156Z

OPPORTUNITY DISSEMINATION. RECENT VISIT OF ROBERT LAMB FROM STATE DEPARTMENT'S COMPUTER CENTER IN BANGKOK WAS HIGHLY USEFUL. APPEARS, HOWEVER, THAT THIS CENTER COULD USE SERVICES OF ONE OFFICER TO CONCENTRATE EXCLUSIVELY ON ASSISTING POSTS IN REGION WITH COMMERCIAL PROGRAMS;

C) MISSION WOULD GIVE THIRD PRIORITY TO REGIONAL STAFF POSITION FOR OFFICER FROM USDOC MAJOR EXPORTS

PROJECT DIVISION, ABLE TO ADVISE AND ASSIST POSTS WITH DIRECTING AND PLANNING OF MEPD EFFORTS, AND TO CALL UPON BACKSTOPPING FROM BOTH MEPD AND COMMERCE OFFICE OF INTERNATIONAL INVESTMENT;

D) FOURTH PRIORITY WE GIVE TO ONE ADDITIONAL US EXIMBANK REPRESENTATIVE IN ASIAN REGION. MISSION HAS HIGHEST REGARD FOR EXIM VICE PRESIDENT JOSEPH RAND IN HONG KONG, BUT DEMANDS ON HIS TIME FAR EXCEED WHAT ONE MAN CAN ACCOMPLISH. ADDITIONAL EXIMBANK OFFICER IN REGION COULD FOCUS ON EXPLANATION AND PROMOTION OF EXIM SERVICES SUCH AS COOPERATIVE FINANCE FACILITY, AND COULD WORK WITH MISSION ON SPECIAL FINANCING NEEDS, TRADE FAIR OR MAJOR EXPORTS PROJECT ACTIVITIES;

E) SPECIALIST LOCATED IN REGION TO ASSIST WITH COMMERCIAL NEWSLETTER AND OTHER PUBLICATION EFFORTS BY POSTS WOULD ALSO BE HIGHLY VALUABLE.

6. MISSION HAS BEEN FAVORABLY IMPRESSED WITH NEW EFFORT BY DEPARTMENT OF COMMERCE TO IMPROVE RESPONSIVENESS TO TRADE OPPORTUNITIES, PARTICULARLY IN MAJOR EXPORTS PROJECT DIVISION FIELD (SEE REF F). ASSURANCES THAT COMMERCE CAN PRODUCE QUICKLY HIGH LEVEL INTEREST BY BEST QUALIFIED AMERICAN FIRMS GREATLY IMPROVE ABILITY THIS MISSION TO PURSUE AGGRESSIVELY LARGE-SCALE TRADE OPPORTUNITIES WHICH ARE OTHERWISE QUICKLY PREEMPTED BY JAPAN AND EUROPEANS. WE BELIEVE THAT COMMERCE FUNDING FOR MEPD IS AMONG MOST HIGHLY PRODUCTIVE OF TRADE BENEFITS, AND THAT STATE SHOULD ENCOURAGE GREATER USDOC PRIORITY THIS TYPE OF HIGHLY RESPONSIVE EFFORT. STATE SHOULD ALSO ENCOURAGE SIMILAR COMMERCE RESPONSIVENESS IN INVESTMENT PROMOTION FOR LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 JAKART 00870 221156Z

MAJOR PROJECTS WHERE U.S. INVESTOR INVOLVEMENT WOULD INCREASE U.S. EXPORT OPPORTUNITIES.

7. RECENT EFFORTS ON PART OF COMMERCE TO IMPROVE SUPPORT OF FOREIGN SERVICE ACTIVITIES HAS BEEN ENCOURAGING, BUT GREATER EFFORT IS STILL REQUIRED. MISSION OFFICERS HAVE RECENTLY RECEIVED REPORTS OF INORDINATE DELAYS IN USDOC TRANSMITTAL OF WFAR REQUESTS TO FIELD AND OF TRADE OPPORTUNITIES WITHIN U.S. AND DELAYS IN RESPONSE TO U.S. FIRM REQUESTS FOR BASIC REPORTS AVAILABLE IN WASHINGTON. SUGGEST THAT RENEWED EFFORTS BE MADE TO IMPROVE SUCH SERVICES.

8. RECOMMEND ALSO THAT STUDY BE MADE OF POSSIBLE WAYS TO RESOLVE INADEQUACIES OF FUNDING FOR REPRESENTATION IN SUPPORT

OF COMMERCIAL EFFORTS. AT THIS POST FOR SEVERAL YEARS E/CM OFFICERS AMONG OTHER HAVE BEEN OUT OF POCKET VERY SUBSTANTIAL AMOUNTS ANNUALLY ON REPRESENTATION EXPENSES, E.G. \$2,600 FOR E/CM IN FY 1973, OUT OF \$6,200 FOR EMBASSY AS A WHOLE.

9. WE WISH ALSO TO UNDERSCORE IMPORTANCE OF MUCH MORE FLEXIBLE AND IMAGINATIVE U.S. FINANCING SUPPORT FOR TRADE DEVELOPMENT. IN RECENT YEARS EXIM AND FCIA HAVE PLAYED INCREASINGLY EFFECTIVE ROLE IN SUPPORTING FLEXIBLY THE SPECIAL NEEDS OF INDIVIDUAL FOREIGN SERVICE POSTS. WE URGE FURTHER AND MUCH GREATER EFFORTS IN THIS THIS DIRECTION AND BELIEVE THAT SUGGESTION PARA 5-D ABOVE WOULD BE HIGHLY USEFUL FIRST STEP.

10. DEPARTMENT CAN BE ASSURED OF THIS MISSION'S FULL SUPPORT OF EFFORTS TO UPGRADE COMMERCIAL PROGRAMS.  
GALBRAITH

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE PROMOTION, PROGRAMS (PROJECTS), FOREIGN POLICY POSITION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 JAN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974JAKART00870  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** JAKARTA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740125/aaaaaxjp.tel  
**Line Count:** 186  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** A. STATE 239800; B. JAKARTA 0612, 19, 72; C. JAKARTA  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 22 JUL 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <22 JUL 2002 by kelleyw0>; APPROVED <04-Sep-2002 by MorefiRH>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EFFECTIVENESS OF OVERSEAS COMMERCIAL PROGRAMS  
**TAGS:** ETRD, BLIB, ID, SN, US  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005